

# **FISCAL NOTE**

## **SB 1173 - HB 1647**

March 24, 2003

**SUMMARY OF BILL:** Increases the tax on cigarettes from 10 mills per cigarette (1 cent) to three cents per cigarette.

### **ESTIMATED FISCAL IMPACT:**

**Increase State Revenues - \$198,600,000**

**Increase State Expenditures - Not Significant**

**Increase Local Govt. Revenues - \$4,454,400**

Estimate assumes:

- \$185,600,000 in state revenues would be generated by the excise tax increase.
- \$13,000,000 in state revenues would be generated by the state sales tax generated by the increase.
- \$4,454,400 in local government revenues would be generated by the local sales tax generated by the increase.
- 464,002,655 packs sold in FY 04.

### **CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director

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